

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:535

ANSWERED ON:11.05.2007

MULTIPLE PAN CARDS

Patil Smt. Rupatai Diliprao Nilangekar;Rana Shri Rabindra Kumar

Will the Minister of FINANCE be pleased to state:

- (a) whether a large number of persons are in possession of more than one PAN card;
- (b) if so, the estimated number of such persons;
- (c) the number of persons who have surrendered such multiple PAN cards as a result of the campaign launched by the Government recently;
- (d) whether cases of misuse of multiple PAN cards have come to the notice of the Government;
- (e) if so, the number of such cases reported during the last one year;
- (f) the action taken against the erring persons; and
- (g) the other steps taken or being taken by the Government to check the misuse of multiple PAN cards?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI P. CHIDAMBARAM)

(a) to (g): A statement is laid on the Table of the House.

Statement referred to in reply to the Lok Sabha Starred Question No.535 raised by Shrimati Rupatai Diliprao Nilangakar Patil & Shri Rabindra Kumar Rana, Members of Parliament, for 11.5.2007 regarding 'Multiple PAN Cards'

(a) Yes, Sir. Several persons were allotted more than one PAN, particularly, during the period between 1996 and 2003, because of a number of reasons such as-

- (i) incorrect data entry;
- (ii) multiple applications by the same person with varying particulars;
- (iii) allotment both on the basis of PAN application and the return of income; and
- (iv) furnishing wrong particulars with mala fide intention.

The Department has identified the likely duplicate PANs belonging to the same person through an automated process.

(b) The number of persons having duplicate PANs is estimated to be 13.1 lakhs as on 31.3.2007.

(c) The number of multiple/duplicate PANs deleted as a result of the campaign during the financial year 2006-07 is 7,42,483.

(d)&(e) During the last one year some cases of misuse of multiple PAN cards were reported to the Directorate of Income-tax (Systems). They are as follows:

(i) In February, 2007, a case of the same person obtaining two PANs in different names and using them to apply for separate Import license was reported by the office of the Director General of Foreign Trade (DGFT).

(ii) In March, 2007, information was received from the Police Authorities regarding one person having two PANs in different names.

(iii) The Times of India, dated 16th March, 2007, carried a news item of detection of 138 PAN cards of different persons of multiple identities by the Delhi Police. Such PANs were used to create fake identities with the intention of defrauding banks. The Department has obtained information from the Police authorities and further investigations are in progress.

(f) In cases, where misuse of multiple PAN cards is reported, the Department has initiated proceedings for imposition of penalty. Simultaneously, the Investigation wing of the Department is also carrying out enquires into the possibility of tax-evasion on the part of such persons.

(g) With a view to check misuse of multiple PANs, the department is exploring the feasibility of using biometric systems in the

allotment of PAN.